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EXTRAORDINARY

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन  
के रूप में रखा जा सके ।

Separate paging is given to this Part in order that it may be filed  
as a separate compilation.

## LOK SABHA

The following Bills were introduced in Lok Sabha on 24th February, 1989:—

BILL NO. 2 OF 1989

*A Bill to regulate the functioning of fair price shops and for matters  
connected therewith*

Be it enacted by Parliament in the Fortieth Year of the Republic of  
India as follows:—

1. (1) This Act may be called the Fair Price Shops (Regulation) Act,  
1989.

Short  
title  
and  
extent.

(2) It extends to the whole of India.

2. (1) The Central Government shall, by notification in the Official  
Gazette, establish a Board to be known as the "Central Board for Fair  
Price Shops" (hereinafter referred to as the Central Board).

Estab-  
lishment  
of  
Central  
Board  
for  
fair  
price  
shops.

(2) The Central Board shall consist of a Chairman to be appointed  
by the Central Government and one member each representing the  
Central Government, every State Government and Union territory  
Administration.

Estab-  
lishment  
of  
State  
Fair  
Price  
shops  
Boards.

3. (1) The Central Government shall establish a Fair Price Shops Board in every State and Union territory (hereinafter referred to as the State Board).

(2) The State Board shall consist of a Chairman to be appointed by the concerned State Government of Union territory Administration, as the case may be, and four other members of whom one member shall be nominated by the Central Government and the remaining from amongst persons representing trade and commerce, industry and agriculture.

Func-  
tions  
of the  
State  
Boards.

4. The State Boards shall, in their respective State or Union territory,—

(i) determine the items to be distributed to public through fair price shops;

(ii) fix the price of each commodity to be distributed through fair price shops;

(iii) determine the number of customers to be served by a fair price shop;

(iv) make arrangements with transport authorities for regular supply of the essential commodities at all the fair price shops;

(v) fix the quantity of commodities to be supplied through fair price shops to a person/family for a particular period; and

(vi) open fair price shops according to the needs of the consumers.

Duties  
of the  
State  
Boards.

5. It shall be the duty of the State Boards to procure the commodities which are to be distributed through fair price shops from the Government agencies or other sources and shall ensure that all the items are always available for distribution to the public.

Central  
Board  
to issue  
guide-  
lines to  
State  
Boards.

6. The Central Board shall issue guidelines and directions to the State Boards from time to time for implementing the provisions of this Act.

Licence  
for  
opening  
of the  
fair  
price  
shops.

7. (1) The State Boards shall have the power to grant licences for opening of fair price shops in their respective jurisdictions.

(2) The licence issued under sub-section (1) shall be cancelled by the State Board either on an application from the consumers of a particular fair price shops or if the Board is satisfied that the particular fair price shop is not functioning according to its directions.

State  
Boards  
to  
submit  
annual  
returns.

8. The State Boards shall work under the control of the Central Board and shall submit an annual return to Central Board containing particulars about the number of fair price shops opened, the quantity of goods supplied in all the fair price shops and number of consumers registered every year.

9. The Central Board shall submit an annual report containing the returns received from the State Boards and on its functioning to the Central Government who shall lay the report in both Houses of Parliament.

Central Board to submit annual return.

10. The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

Power to make rules.

## STATEMENT OF OBJECTS AND REASONS

The present system of public distribution through fair price shops in every State has not been working to the expectations of general public to cater to their needs of daily life. The essential commodities supplied in these fair price shops are not of good quality and there is always a shortage of goods distributed through them. There is no proper method of distribution of essential commodities, malpractices are prevalent in these fair price shops and there is no proper check on the shop owners. There is lack of co-ordination between the Central and the State Governments in the maintenance of these fair price shops and also in the supply of items. Therefore, it is high time that all the fair price shops in the country are brought under the direct control of the Central Government so as to ensure proper supply of essential commodities at a reasonable price to the consumer.

Hence this Bill.

NEW DELHI;

G. S. BASAVARAJU

October 26, 1988.

## FINANCIAL MEMORANDUM

Clause 2 of the Bill provides that the Central Government shall establish a Central Board for fair price shops. Clause 3 provides that the Central Government shall establish a Fair Price Shops Board in every State and Union territory. Clause 4 provides that the Fair Price Shops Board set up in every State or Union territory shall open fair price shops according to the needs of a particular area. With the increase in consumers more fair price shops may have to be opened in a particular State or Union territory and no exact estimate as to their number can be given at this stage. Clause 5 provides for the purchase of commodities by State Boards for sale through fair price shops. This Bill, if enacted, would involve expenditure from the Consolidated Fund of India. It is estimated that there will be an annual recurring expenditure of about rupees seventy crores from the Consolidated Fund of India.

A non-recurring expenditure of about rupees thirty crores is also likely to be involved.

**MEMORANDUM REGARDING DELEGATED LEGISLATION**

Clause 10 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. Since the rules will relate to matters of detail only, the delegation of legislative powers is of a normal character.

## BILL NO. 3 OF 1989

*A Bill to establish a Commission to fix reasonable remunerative prices of the agricultural produce and for matters connected therewith.*

BE it enacted by Parliament in the Fortieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Agricultural Produce Prices Fixation Act, 1989.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. In this Act, unless the context otherwise requires,—

(i) “agricultural produce” means and includes paddy, wheat, pulses, sugar-cane, cotton, oil-seeds, fruits, jute and such other agricultural or horticultural produce which is used for consumption by the human beings or for the making of fibre or for any medicinal purpose; and

Short  
title,  
extent  
and  
com-  
mence-  
ment.

Defini-  
tions.

(ii) "Commission" means Agricultural Prices Commission established under section 3.

Establishment of Agricultural Prices Commission.

3. (1) The Central Government shall, by notification, in the Official Gazette, establish a Commission to be known as "Agricultural Prices Commission", with its headquarters at New Delhi.

(2) The Commission shall consist of—

- (a) a Chairman to be appointed by the Central Government;
- (b) one member from each zonal office of the Commission;
- (c) one member from each State Government and Union territory administration;
- (d) three representatives of agriculturists;
- (e) one representative of agricultural labour; and
- (f) one representative of agricultural produce processing units.

Setting up of zonal offices.

4. (1) The Commission shall set up one zonal office each in the northern, western, eastern and southern parts of the country comprising of such States and Union territories as may be determined by the Commission.

(2) The zonal office shall consist of—

- (i) a Chairman to be appointed by the Central Government;
- (ii) one member from each State or Union territory within its jurisdiction to be nominated by the concerned State Government or the Union territory administration, as the case may be;
- (iii) three representatives of agriculturists;
- (iv) two persons representing financial institutions of whom one shall be from agricultural Cooperative Banks; and
- (v) one member representing fertilizer industry.

Commission to fix remunerative prices.

5. The Commission shall fix and declare remunerative prices of agricultural produce before every sowing season.

Duty of zonal offices.

6. (1) It shall be the duty of each zonal office to recommend to the Commission the remunerative prices of agricultural produce in respect of their jurisdiction.

(2) Each zonal office, before recommending the remunerative prices shall take into account all relevant factors but in particular the following, namely:—

- (i) the average capital investment made by agriculturists;
- (ii) the average cost of land;
- (iii) the average labour charges;
- (iv) the expenditure on insurance, if any;



- (v) interest on loans borrowed for the purpose of agriculture;
- (vi) maintenance cost of the farm;
- (vii) any concession or rebate provided by Government in relation to agricultural produce;
- (viii) the prevailing price of agricultural produce in the open market;
- (ix) climatic conditions and incidence of natural calamities like floods, drought, etc.;
- (x) the average monthly household expenditure incurred by an agriculturist including expenditure on education, health and accommodation, etc.; and
- (xi) any other incidental expenditure

7. The Commission shall give wide publicity to the remunerative prices fixed for agricultural produce through radio and television network and newspapers.

Publication of prices of agricultural produce.

8. The Central Government shall purchase the agricultural produce from the agriculturists at the price fixed by the Commission through its agencies like Food Corporation of India, if the agriculturists fails to sell his produce in the open market.

Central Government to purchase agricultural produce.

9. (1) Any agriculturist may file an application with the Central Government for reviewing the remunerative price fixed by the Commission for any agricultural produce, within thirty days of the declaration of the price, if the agriculturist is not satisfied with the price fixed.

Review of remunerative price fixed by the Commission.

(2) The Central Government shall give its decision on the application within fifteen days of the filing of the application.

10. The agriculturist, if not satisfied with the decision of the Central Government on his review application under section 9, shall have the right to file an appeal against the order of the Central Government in the High Court of the State in whose jurisdiction his agricultural land is situated

Right to appeal.

11. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

Power to make rules.

(2) Every rule made under this section shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

## STATEMENT OF OBJECTS AND REASONS

There has been great discontent amongst the farmers regarding the remunerative prices fixed for agricultural produce by the Commission for Agricultural Costs and Prices. The prices fixed by the said Commission are far below the expectation of farmers and also below the prevailing prices of the produce in the open market.

Moreover, the Central Government is not bound by the price recommended by the Commission for Agricultural Costs and Prices inasmuch as the said Commission does not have a legal sanction. Therefore, it is proposed to set up a statutory Agricultural Prices Commission which would fix the remunerative prices for agricultural produce.

While fixing the remunerative prices for agricultural produce, the factors like increase in prices of inputs, increased wages to labour, increase in costs of necessary items for farming and other incidental expenditure incurred by a farmer for the welfare of his family should also be taken into consideration.

Moreover there is no justification in fixing the price for a particular agricultural produce throughout the country as climatic conditions and soil structure are different in various parts of the country. The prices of agricultural produce should, therefore, be fixed separately considering the yield, availability of irrigation potentiality, climatic conditions and other factors. It is, therefore, proposed that the country be divided into four zones for the purpose of fixing remunerative price for agricultural produce.

Many times, the farmers are not aware of the prices fixed by the Central Government for various agricultural produce. Therefore, it has been proposed that the prices notified by the Central Government should be given wide publicity through radio and television net-work, newspapers, etc.

It is also proposed that a farmer, if aggrieved by the price fixed by the Agricultural Prices Commission, may file an application for review of the same as there is no provision for the same at present.

Hence, this Bill.

NEW DELHI:  
December 8, 1968.

UTTAM RATHOD

## FINANCIAL MEMORANDUM

Clause 3 of the Bill provides that the Central Government shall establish Agricultural Prices Commission consisting of a Chairman to be appointed by the Central Government and other members. Clause 4 of the Bill provides that the Agricultural Prices Commission shall set up four zonal offices in the country and each zonal office shall consist of a Chairman to be appointed by the Central Government and other members. Clause 7 provides that the Agricultural Prices Commission shall, after having fixed the remunerative prices of agricultural produce, give publicity through radio and television net work and news papers. Clause 8 provides that the Central Government shall purchase agricultural produce from the farmers at the rates fixed by the Commission through its agencies like the Food Corporation of India, etc. which are already in existence and doing the work of purchasing agricultural produce from the farmers in case the farmers are not able to sell their produce in the open market. The Bill, if enacted, would therefore, involve expenditure from the Consolidated Fund of India. It is estimated that an annual recurring expenditure of about rupees one crore is likely to be involved from the Consolidated Fund of India.

A non-recurring expenditure of about rupees one crore is also likely to be involved.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 11 of the Bill gives the Central Government Power to make rules to carry out the purposes of the Bill. The delegation of legislative power is of a normal character

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SUBHASH C. KASHYAP,  
*Secretary-General.*